

economic vitality element

INTRODUCTION

Issaquah has grown dramatically over the past twenty years. The next twenty will bring more growth, residents, commercial activity and more employment opportunities. Although many businesses have chosen Issaquah as home, the Puget Sound's economic climate has become increasingly competitive and complex.

The City created an Economic Development Department and an Economic Vitality Commission in 2012. This Economic Vitality Element provides policy direction for maintaining, enhancing and creating economic activity and opportunities in appropriate locations within the community. This Chapter has benefitted from a SWOT analysis and Economic Development Strategic Plan developed by the Economic Vitality Commission and Economic Development Department from 2013-2015. Successful implementation of these Comprehensive Plan policies allows the City to be purposeful in its long-term fiscal stability; providing for a variety of employment and investment opportunities; and, creating opportunities for adequate selection and availability of goods and services for all residents, businesses and visitors.

Many factors contribute to Issaquah's current economic vitality. Primary are the City's location in the Puget Sound region with easy access to Seattle; location among the thriving Eastside cities; proximity to I-90; and, its connection to Lake Sammamish, the Cascades, and the gateway to eastern Washington. Issaquah is home to many small, medium and locally-owned businesses and services, as well as nationally- and internationally-recognized corporations such as Costco, SanMar, Siemens and GE Healthcare. There are approximately 25,000 jobs in Issaquah and 2,000 firms (WA ESD, 5/2015).

A healthy economy provides jobs and opportunities and helps pay for vital public services such as education, parks, transportation, police and fire protection, and human services. The policies contained in this Chapter encourage a mix of land uses that will result in a diversified employment base. The policies encourage innovation and the quality development necessary to sustain a high standard of living. **Sustainable, Innovative & Diversified** are the cornerstones of our economic strategy and the policies contained in this Chapter will help ensure success.

ECONOMIC VITALITY VISION

Based on the City's Vision and Comprehensive Plan and Land Use Policies, the Economic Vitality Element emphasizes enhancement of the City's character, as well as its natural and built environment; all of which provide Issaquah with a unique advantage in attracting jobs and residents. Issaquah's economic vitality vision is to leverage Issaquah's high quality of life, locational advantages, strong schools and existing business community to attract and retain businesses that are additive to our community and create a strong local economy. Through policy direction focusing on the creation of a thriving business environment; the development of a regional recognition for the value of Issaquah as a business location; dedication of resources to workforce development;

promoting relations with the school district; focusing on workforce housing issues; and, retaining the vibrancy of Issaquah as an authentic and desirable community, the City will best realize its true economic potential.

STATE REQUIREMENTS

growth management act requirements

RCW 36.70A.070 **Comprehensive plans — Mandatory elements.**

(7) An economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. The element shall include: (a) A summary of the local economy such as population, employment, payroll, sectors, businesses, sales, and other information as appropriate; (b) a summary of the strengths and weaknesses of the local economy defined as the commercial and industrial sectors and supporting factors such as land use, transportation, utilities, education, workforce, housing, and natural/cultural resources; and (c) an identification of policies, programs, and projects to foster economic growth and development and to address future needs. A city that has chosen to be a residential community is exempt from the economic development element requirement of this subsection.

GOALS AND POLICIES

successful business environment

Economic Vitality Goal A. Create a positive economic climate where high-quality businesses and firms choose to locate.

discussion

One of the City's roles is to ensure that the local economic climate is attractive and inviting so that businesses are more likely to locate in Issaquah. An attractive climate is created by planning for appropriate infrastructure, ensuring that City processes are efficient and predictable, providing high-quality customer service, partnering with relevant organizations such as the Greater Issaquah Chamber of Commerce and the Downtown Issaquah Association, creating vibrant commercial areas, and providing a solid tax base.

EV Policy A1 Provide high-quality customer service that is efficient and predictable.

EV Policy A2 Pursue transportation and mobility solutions, as addressed in the Transportation element.

EV Policy A3 Plan for utility and other infrastructure assets to be available in commercial areas, as addressed in the Utility element.

EV Policy A4 Establish City Review time guidelines to provide more predictability to applicants for all segments of the review process that are under City control.

- EV Policy A5** Facilitate economic development by encouraging public/private partnerships, and consider procedural incentives and financial tools in order to leverage private resources where there is a compelling community benefit.
- EV Policy A6** Work to evaluate economic trends, opportunities and threats for the purpose of anticipating issues and proactively recommending actions that minimize the potential for economic stagnation or decline.
- EV Policy A7** Maintain a competitive tax structure.

recognition of economic strengths

Economic Vitality Goal B. Continue to recognize the importance of a diverse economy focused on job creation.

discussion

Issaquah has evolved from a traditional suburb of Seattle to a complex community with a vital employment base. In addition to Costco's international headquarters, other businesses and firms located in Issaquah include: Swedish Health Services, Microsoft, SanMar, Siemens, and a number of high-tech, service and retail employers. The following components are important for the City's continued success: helping to ensure a diversity of employment opportunities; targeting and attracting businesses that fit the City's vision; and, providing effective management of these efforts.

- EV Policy B1** Build on Issaquah's strengths and promote those strengths to the business communities in the region and beyond.
- EV Policy B2** Increase regional partnerships to leverage opportunities that implement these economic goals and policies.
- EV Policy B3** Work to attract businesses that create a diverse economic base, providing high quality employment opportunities and provide goods and services desired by the community. A diverse economic base includes businesses that provide goods and services for the everyday needs of Issaquah residents, businesses and visitors; and, a variety of income opportunities that allow residents and job seekers to find advancement employment opportunities within our community.
- EV Policy B4** Encourage private investment through development and redevelopment that uses land efficiently and contributes positively to economic vitality.
- EV Policy B5** Encourage clusters of complementary businesses.
- EV Policy B6** Recognize the importance of providing adequate resources to support a sustained investment in economic development.

workforce development, schools and housing

Economic Vitality Goal C. Encourage partnerships with workforce education and housing providers.

discussion

National economic development surveys consistently place access to a trained workforce as one of the top 3 factors for the relocation or expansion of a business. The level and quality of skills and education of Issaquah's residents and business employees will be key in determining the future of business success, and thus economic success. In addition, housing availability at all income levels is an important factor to be able to attract employees for all levels of employment. Finally, "good schools" are a fundamental component to our family-oriented community. People relocate to Issaquah, and continue to live here, in part, because of the excellence of the public schools and educational opportunities.

- EV Policy C1** Encourage the provision of high-quality, primary secondary and post-secondary educational systems in Issaquah, as well as education and training opportunities to maintain a skilled workforce and local labor pool.
- EV Policy C2** Assist the Issaquah School District and Issaquah Schools Foundation to be well integrated with the business community.
- EV Policy C3** Assist Issaquah School District in planning for growth.
- EV Policy C4** Support a variety of housing opportunities so employees may live in the community.
- EV Policy C5** Encourage and promote employment opportunities for all residents.
- EV Policy C6** Strive to maintain a balance of jobs and housing.

vibrant community

Economic Vitality Goal D. Continue investing in Issaquah to make it a more vibrant community for residents, the business community and visitors.

discussion

Issaquah prides itself on its unique character and rich natural and built amenities. Unlike many other eastside cities, Issaquah has a rich history and dates back to incorporation in 1892 as the town of Gilman. It has retained many of its historic buildings and supported policies to retain open space in visually prominent areas and alongside its natural waterways.

Issaquah's connection to the outdoors, unique Olde Town music and the arts, and high-quality schools are attractions to employers and employees. To grow our economy we will need to incorporate investments in livability, recognizing that attracting the talented "human capital" to our community may be our best long-term strategy for enticing and growing the businesses that make Issaquah a complete and vibrant community.

A growing, vibrant community that attracts the creative class will also provide many of the attractive qualities necessary to attract tourists. Tourism brings outside dollars into the community and allows for larger-scaled community events to occur. Tourism creates jobs, both through direct employment and indirectly in sectors such as retail and transportation. When tourists spend their wages on goods and services, it leads to what is known as the "multiplier effect," creating more jobs. The tourism industry also provides opportunities for small-scale business enterprises. Tourism encourages the preservation of traditional customs, handicrafts and festivals that might otherwise have been allowed to wane, and can lead to an increase in civic pride.

- EV Policy D1** Working with the private sector and other stakeholders, continue to encourage and promote robust arts, history and cultural opportunities.
- EV Policy D2** Increase awareness and access to outdoor recreation amenities in order to provide recreational and entrepreneurial opportunities.
- EV Policy D3** Seek diversified and outstanding selections of entertainment, dining and shopping experiences.
- EV Policy D4** Seek opportunities that strengthen Issaquah's character and sense of place.
- EV Policy D5** Encourage opportunities (i.e. activities, employment) that appeal to individuals of all age, ethnic, and cultural groups.
- EV Policy D6** Working with the private sector or other stakeholders, continue to encourage and promote Issaquah as a visitor destination, as well as Issaquah's natural recreational attractions.
- EV Policy D7** Provide innovative solutions to development conflicts between the natural and built environment.
- EV Policy D8** Preserve open space and views in accordance with view policies found in the Land Use Element.

implementation

Goal E. Measure the effectiveness and success of the Comprehensive Plan in achieving community visions, goals and policies.

discussion

Achieving the visions of the Issaquah community for how our City should look, feel and function is dependent on implementation of the goals and policies adopted in this document. While there are not sufficient resources to accomplish all of the implementation strategies simultaneously, the City can make progress to carry out the Comprehensive Plan by identifying priorities and necessary resources. The City has established a list of Implementation Strategies (Appendix B) that are needed to accomplish the Community vision within the Comprehensive Plan, and although not complete, the list is intended to be used as a tool for prioritizing City resources, including budget and staff time. Additionally, the City cannot accomplish all the

implementation strategies alone. As part of a much larger and growing metropolitan area, issues such as growth rates, housing supply and demand, and transportation systems require cooperation and partnerships with the public and private sectors as well as local, state and federal agencies.

EV Policy E1 Ensure Comprehensive Plan goals and policies are accompanied by related and required implementing actions, including but not limited to those listed in the Implementation Strategy (Appendix B)